

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6895

BILL NUMBER: HB 1480

NOTE PREPARED: Jan 13, 2015

BILL AMENDED:

SUBJECT: Small School Grant.

FIRST AUTHOR: Rep. Harman

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides a Small School Grant in state fiscal years 2015-2016 and 2016-2017 to school corporations, other than charter schools, that have a current average daily membership (ADM) that is greater than 450 and less than 1,100. It appropriates the amount necessary to fund the grants from the state General Fund.

Effective Date: July 1, 2015.

Explanation of State Expenditures: (Revised) Based on projected data for the 2014-2015 school formula, the estimated cost to the state for the Small School Grants would be about \$15.9 M for FY 2016 and \$16.5 M for FY 2017.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: (Revised) *Summary:* Based on projected FY 2016 and FY 2017 data, approximately 58 school corporations would qualify for about \$15.9 M for FY 2106 and \$16.5 M for FY 2017 in Small School Grants.

Additional Information: To qualify for the grant, the school corporation's ADM has to be between 450 and 1,100. The grant is calculated by the following steps:

1. If the corporation's ADM is greater than 450 and less than 500, the grant equals the corporation's ADM minus 450 multiplied by \$6,000.
2. If the corporation's ADM is at least 500 and less than 1,001, the grant equals \$300,000.
3. If the corporation's ADM is greater than 1,000 and less than 1,100, the grant equals \$300,000 minus the result of the corporation's ADM minus 1,000 multiplied by \$3,000.

State Agencies Affected: Department of Education.

Local Agencies Affected: School corporations.

Information Sources: Department of Education databases.

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